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NEWS RELEASE

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The Calm Before the Storm **by Senator Larry Craig**

We all know the feeling – the eerie calm before the storm. The wind halts, the birds stop singing, and air has a distinct smell. That is the same feeling I have back here in the halls of Congress about our nation’s budget.

Consequently, during the week of February 18th, I will be holding town meetings, entitled “Back to Black: Our Budget, Our Future,” in Idaho to discuss problems related to our national budget and the solutions I’m proposing to change course. This week I will be holding meetings in Meridian, Twin Falls, and Pocatello. Meetings in North Idaho will be held later this spring. Full details are available on my website at <http://craig.senate.gov/budget> or by calling my local office.

First, the good news. Our nation has the largest economy in the world. It’s nearly triple that of Japan, which runs a distant second. Over the past three years, the U.S. economy has grown at the highest rate since World War II, leading to record highs in the stock market and the creation of over 7.4 million new jobs.

This growth has translated to better pay and increased prosperity for Americans. Since 2001, real, after-tax personal income per person has increased more than \$2,800 – or nearly 10 percent. Last year alone, real wages rose nearly 2 percent, putting an extra \$1,030 into the pockets of the typical family of four.

America’s robust economy is attributable to – in a word – you. Americans are the hardest workers in the world, working more hours than all workers in all other countries. They’re also among the most productive. In fact, the United States has experienced the fastest productivity growth among all industrialized countries in recent years. Our footing is firm, and you’re the reason why.

Unfortunately, spending at the federal level, if left unchanged, is poised to undo Americans’ hard work. Currently, federal spending consumes twenty percent of our economy – by 2050, this figure will jump to over fifty percent. These figures are sobering and are primarily a result of spending on entitlement programs, such as Social Security, Medicaid, and Medicare. In case you’re wondering about the price tag of these programs in the future – in terms of tax dollars, that amounts to an increased tax rate of 60 percent, or an additional \$11,000 per household.

There is indeed a storm looming. We have seen the forecast, and it’s dreary. Unlike the weather, though, we can control the future of our country’s budget by enacting fundamental, permanent reform. We must not simply reduce the deficit, but eliminate it. We must not amend the tax code, but replace it. And we must not talk about limiting spending, but legally cap it.

I urge Americans to join with me in calling on Congress to put fiscal responsibility into law – and to make the tough choices necessary to safeguard our future and that of our children.